IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

THURSDAY, THE EIGHTEENTH DAY OF NOVEMBER
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE SRI JUSTICE B. SUDERSHAN REDDY

WRIT PETITION NO : 8107 of 1993

Between:

S.Prabhakar Rao S/o. S.Narsimhulu
42 years, Occ: Business R/o.Hyderabad.

..... PETITIONER

AND

1. The A.P. Industrial Infrastructure Corporation Ltd.

Rep. by its Managing Director, Parishram Bhavan , Hyderabad.
2. The Regional Manager, Industrial Estate, Moulali, Hyderabad.

.....RESPONDENTS.

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue an appropriate writ or order or direction 1) declaring the action of the respondent in not executing and giving the petitioner the agreement copy in pursuance of Lr.No.322/A/77 dt: 15-1-91 as arbitrary, illegal and violative of Articles 14 , 21 and 300 A of the Constitution of India ; 2) to direct the respondent to execute and give the agreement copy to the petitioner in pursuance of Lr.322/A77 dt: 15-1-91 of respondent; 3) costs be awarded to the petitioner.

Counsel for the Petitioner: Mr.A.SUDERSHAN REDDY

Counsel for the Respondents: Mr.R.Subba Rao.

The Court made the following :

ORAL ORDER:

The petitioner invokes the extraordinary jurisdiction of this Court under Article 226 of the Constitution of India with a prayer to issue an appropriate Writ, more particularly, one in the nature of Writ of Mandamus declaring the action of the respondents in not executing and giving the petitioner the agreement copy in pursuance of letter No. 322/A/77, dated 15.1.1991 as arbitrary and illegal, and, consequently, to direct the respondents to execute and give the agreement copy to the petitioner in pursuance of letter dated 15.1.1991 of the respondent.

Shorn of all the details, the facts which are not in dispute are that on 21.8.1972, the Director of Industries, Andhra Pradesh, Hyderabad, had allotted Plot No.B-15/1 at Industrial Estate, Moulali, in favour of the writ petitioner, proprietor of M/s. Prabhakar Engineering Industries on 50 years lease for the purposes of establishment of an industry for the manufacture of Hand Pumps, Spare parts etc.

That in terms of the policy decision taken by the respondent-Corporation, the petitioner-allottee has exercised his option for the conversion of allotment from lease to outright sale basis, and, accordingly paid the initial 50% land cost at the rate of Rs.11/- per sq. yard for an area of 1511.00 sq. yards. There is no dispute about the same. Thereafter, the respondent-Corporation requested the petitioner vide its letter No.322/A/77, dated 15.1.1991 to execute the sale agreement with full stamp duty on or before 15.2.1991 on the pain of withdrawal of the offer of conversion from lease to outright sale and resumption of the plot along with the existing structures in terms of the resumption clause. The petitioner paid an amount of Rs.21,950/- and also an amount of Rs.2,000/- towards the penalty, as is evident from the receipts issued by the respondent-Corporation dated 11.2.1991 and 31.1.1991 respectively. However, according to the respondent-Corporation, the petitioner, for some reason, failed to avail the opportunity and did not comply with the terms and conditions of offer of conversion order. It was under those circumstances, a show cause notice was issued on 27.3.1991 to the petitioner herein requiring him to explain as to why further action for resumption of the plot should not be taken against the petitioner. The allotment is stated to have been cancelled by letter dated 24.6.1991 for the non-payment of the said amount and non-implementation of the Project. The resumption

notice dated 2.11.1992, however, could not be served upon the petitioner.

There is any amount of dispute between the petitioner and the respondent about the resumption of the plot by the respondent-Corporation on 8.12.1992. But, the material available on record discloses that the petitioner is continuing in possession of the allotted plot as on the date. The amount paid by the petitioner is stated to have been adjusted towards the rentals for the period of occupation and the balance amount is stated to have been refunded vide letter dated: 23.6.1993.

It appears, the respondent-Corporation, after cancelling the allotment, allotted the plot in question to different entrepreneurs, namely, M/s Dharani Plastics, and, M/s Shaila Thermotek on certain terms and conditions. There is again dispute as to whether those allottees have been put in possession of the plot in question.

The petitioner having filed this Writ Petition obtained appropriate interim orders from this Court, which continued to remain in operation as on the date. In view of the pendency of the Writ Petition, the allottees in whose favour the respondent-Corporation allotted the plot in question requested the Corporation for allotment of alternative plots, since, the plot allotted in their favour, for whatever reason, became the subject matter of this Writ Petition raised by the petitioner. The request so made by those two entrepreneurs has been positively considered by the respondent-Corporation, and, they have been allotted alternative plots. Thus, those two entrepreneurs, in whose favour this plot has been allotted, have no further claim and interest in the plot in question, which was admittedly allotted to the petitioner as early as in the year 1972.

There is some dispute as to how and under what circumstances, the petitioner could not properly run the industry after 1993, about which, no opinion need be expressed for the purposes of disposal of this Writ Petition.

It is evident from the proceedings dated 14.10.1997 on the file of the Zonal Manager that the Zonal Manager sought for appropriate directions from the Chairman and Managing Director of the Corporation for taking further steps in the matter. In the said letter, it is admitted in clear and categorical terms that the petitioner is running the industry in the plot allotted to him in terms of the directions of this Court after obtaining power supply and is paying regularly the Non-Agricultural land tax etc. The petitioner, vide letter dated 9.9.1997, once again requested the respondent-Corporation to execute the sale-deed.

In the said letter referred to above, it is also clearly stated that the though the other entrepreneurs were allotted this plot after the so-called resumption, the petitioner constructed factory building and is at present running the industry. It is under those circumstances, the Zonal Manager requested the Chairman and Managing Director of the respondent-Corporation to take an appropriate decision in the matter and issue orders " whether the cost of land to be imposed i.e. @ Rs.11/- per sq. yard or at present land cost".

The facts noticed hereinabove make it clear that the petitioner having obtained the allotment on 21.8.1972, for whatever reason, could not run the industry regularly, which has resulted in the present state of affairs. There is no dispute, whatsoever, that the respondent-Corporation intended to extend the same benefit as in other cases to the petitioner also, as is evident from its letter dated 15.1.1991 requiring the petitioner to execute the sale agreement on or before 15.2.1991. There is also no dispute that the petitioner, may be, with some delay and not within the specified time, paid the amounts specified by the respondent. The petitioner, admittedly, is a small-scale industry, and, is, at present, running its business in the factory building constructed by it in the land in question. The possession of the petitioner is not in dispute. It is also required to be noticed that there are no claims, as such, by any other entrepreneurs as against this particular plot.

In my considered opinion, it is eminently a fit case where the Chairman and Managing Director of the respondent-Corporation is required to take an appropriate decision in the matter, for which purposes, he shall take all the relevant facts, as stated in the letter dated 14.10.1997 addressed by the Zonal Manager to the Chairman and Managing Director and that appropriate decision in this regard shall be taken by the respondent-Corporation within a period of two months from the date of the receipt of a copy of this order. The petitioner shall be at liberty to make a further representation by duly enclosing all the documents, which are made available for the perusal of the Court, within a period of two weeks from today, and, the same shall be received by the Chairman and Managing Director of the Corporation for his consideration. It is needless to add that until an appropriate decision is taken by the respondent-Corporation, the petitioner shall be entitled to continue in possession and run the industry. There shall be an order accordingly.

The Writ Petition is accordingly disposed of without any order as to costs.

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B.SUDERSHAN REDDY, J.

18.11.2004.

VR.

To

1. The A.P. Industrial Infrastructure Corporation Ltd.

Rep. by its Managing Director, Parishram Bhavan , Hyderabad.
2. The Regional Manager, Industrial Estate, Moulali, Hyderabad.

3. Two CD copies.